

March 24, 2022  
**Maine Milk Commission Meeting Minutes**  
Room 106, Deering Building  
Augusta, Maine 04333

Notices for the March 24, 2022 meeting were distributed to Commission members, intervenors and other interested parties on February 17, 2022 and sent to the Secretary of State's Office for posting on February 17, 2022.

**Commissioners Present:** Colon Durrell, Richard Cook, Tim Drake, and Linda Stahlnecker.

**Department Officials:** None

**Staff Present:** Julie-Marie Bickford, Executive Director, Carol Gauthier, Office Associate II

**Legal Counsel:** Caleb Elwell

**Others Present:** Tade Sullivan, Maine Dairy Industry Association; John Blake, H.P. Hood; Bob Proulx, Oakhurst; Chuck Farrand, former Dairy Farmer; Bill Randall, Agri-Mark; Dale Cole, MDIA; and Mary Frank, member of the public.

Chairman Durrell called the meeting to order at 10:30 am.

**Agenda Item 1: Minutes:** Richard Cook made a motion to accept the minutes of the February 17, 2022 meeting. Tim Drake seconded the motion. Motion passed 3-0.

**Agenda Item 2: Caleb Elwell, Assistant Attorney General:** Nothing new to report.

**Agenda Item 3: Minimum Prices:**

Schedule 4-22 was prepared with a prevailing premium of \$1.04/cwt. on Class I for April 2022 and DFA and Agri-Mark reported no changes. Federal Order One Class I price for April 2022 is \$27.63, an increase of \$1.50/cwt. The Class II price for February 2022 was \$23.79/cwt, a \$0.96/cwt increase over \$22.83 in January 2022. The Class III price for February 2022 was \$20.91/cwt, a \$0.53 increase over \$20.38/cwt in January 2022. The new Dealer Margin adopted January 20, 2022 and approved by the Secretary of State effective March 19, 2022 is included in the calculations of the schedule.

The schedule was prepared using all this information plus a producer cost of production adjustment of \$1.58/cwt. The price schedule was presented for informational purposes and commissioners were advised to make decisions after hearing testimony.

Chairman Durrell asked for testimony.

Dale Cole noted that the Commission had reduced the Producer Margin last month and requested that Commission wait before making any further changes until economic factors regarding the cost of producing milk compared to the price become clearer, as a result of inflation and world events. Labor continues to be a challenge on all levels. Unlike the processors and retailers, the producer margin doesn't reflect a profit margin.

Tade Sullivan noted that the majority of nitrogen is coming from former Eastern Block countries, resulting in increasing fertilizer prices. Feed/grain and electricity costs continue to increase, offsetting the increase in milk prices and squeezing the margins for farmers.

Bob Proulx acknowledged the farmers' concerns but noted that a continued decline in fluid milk sales could be compounded by price sensitivity of consumers. All sectors are still facing supply chain problems, made more difficult by a shortage of drivers. Oakhurst participated in the USDA COVID price support program that returned \$0.5 million to direct milk shippers.

Chuck Farrand noted empty store shelves in many stores.

Tim Drake made the motion to accept order #4-22 with a Commission premium of \$1.04/cwt. and a COPA of \$1.58/cwt. Richard Cook seconded the motion.

The motion passed unanimously.

**Agenda Item 4: Maine Monthly Price Surveys:** Julie-Marie Bickford stated that she is continuing the effort to visit stores in areas that are not always routinely surveyed. She reported no significant variation in pricing trends in stores in various locations. She also reported that she had engaged in conversations with a few store chains where inconsistencies were observed, and has had to enforce the minimum prices in several locations. She will continue to work with stores and corporate management to clarify pricing requirements and will monitor those locations to ensure full compliance with Milk Commission statutes and rules.

The IAMCA price survey was not available.

**Agenda Item 5: Next Scheduled Meetings:**

- A. **April 21, 2022**, Thursday, starting at 10:30 a.m., Room 101, Department of Agriculture, Conservation, and Forestry, Deering Building, Augusta, ME
- B. **May 19, 2022**, Thursday, starting at 10:30 a.m., Room 101, Department of Agriculture, Conservation, and Forestry, Deering Building Augusta, ME
- C. **June 23, 2022**, Thursday, starting at **4:00 p.m.**, Room 101, Department of Agriculture, Conservation, and Forestry, Deering Building, Augusta, Maine
- D. **July 21, 2022**, Thursday, starting at 10:30 a.m., Room 101, Department of Agriculture, Conservation, and Forestry, Deering Building, Augusta, ME
- E. **August 18, 2022**, Thursday, starting at 10:30 a.m., Room 101, Department of Agriculture, Conservation, and Forestry, Deering Building, Augusta, ME

**Agenda Item 6: Other**

**A. IAMCA Summer Meeting – July 24-26, 2022 – Charlottetown, P.E.I.**

IAMCA's designated staff member within the NY Dept. of Agriculture is leaving his position, creating a temporary lapse in staffing. NY is assigning someone on a temporary basis until a permanent replacement is hired. Planning for the summer meeting in PEI is moving ahead.

**B. FY 2022 Financial Report.**

The financial report was reviewed.

**C. Remote Meeting Policy**

A copy of the draft remote meeting policy was posted on the Milk Commission web page prior to the March meeting. Chairman Durrell opened up the floor to any comment from interveners or commissioners, and no comments were offered. Tim Drake made a motion to adopt the policy as presented, seconded by Linda Stahlnecker. With a unanimous vote, the remote meeting policy was adopted, effective at the April 21, 2022 meeting.

**D. Budget Brainstorming Workshop**

Following Julie-Marie Bickford's discussion of the trends in the Commission's financial reports over the past few years, a preliminary presentation of possible actions was discussed at the last meeting. It was recommended that the Commission hold a Budget Workshop meeting to have a thorough review of the situation and possible actions.

Caleb Elwell noted that any meetings of 3 or more commissioners on matters that do not require executive session must be open to the public. It was emphasized that the workshop would be for discussion purposes only and no votes or decisions for actions other than additional research and discussion would take place. The meeting was set for April 4, 2022 at 1 pm in Room 106, Deering Building, DACF, Augusta.

**E. Outgoing Commissioner Recognition**

Julie-Marie Bickford brought up the idea of offering a letter of recognition to Stanley Millay, who served for a dozen years as Executive Director of the Commission, and after his retirement from the position, went on to serve as a member of the Commission. Discussion acknowledged the valuable contribution Mr. Millay had made over the years and the Commission unanimously supported presenting him with a letter and his name plaque.

**Agenda Item 7: Executive Session: None needed.**

**Adjourned:** Adjourned; 11:15 a.m., March 24, 2022.

*Julie-Marie Bickford, Maine Milk Commission*

THE MAINE MILK COMMISSION SCHEDULE OF MINIMUM WHOLESALE AND RETAIL							
EFFECTIVE	DATE:	May 1, 2022	ORDER NO:	5-22			
		MINIMUM	HANDLER	MINIMUM			
		WHOLESALE	FEE	RETAIL			
<b>GALLON:</b>	Whole Milk	\$4.27	\$0.04	\$4.73			
	Lowfat 2.0%	\$4.00	\$0.04	\$4.46			
	Lowfat 1.5%	\$3.91	\$0.04	\$4.37			
	Lowfat 1.0%	\$3.82	\$0.04	\$4.28			
	Skim	\$3.72	\$0.04	\$4.18			
<b>114 OUNCE</b>	Whole Milk	\$4.27	\$0.04	\$4.73			
	Lowfat 2.0%	\$4.00	\$0.04	\$4.46			
	Lowfat 1.5%	\$3.91	\$0.04	\$4.37			
	Lowfat 1.0%	\$3.82	\$0.04	\$4.28			
	Skim	\$3.72	\$0.04	\$4.18			
<b>3 QUART</b>	Whole Milk	\$3.54	\$0.03	\$3.84			
	Lowfat 2.0%	\$3.34	\$0.03	\$3.64			
	Lowfat 1.5%	\$3.27	\$0.03	\$3.57			
	Lowfat 1.0%	\$3.20	\$0.03	\$3.50			
	Skim	\$3.12	\$0.03	\$3.42			
<b>1/2 GALLON:</b>	Whole Milk	\$2.18	\$0.02	\$2.44			
	Lowfat 2.0%	\$2.05	\$0.02	\$2.31			
	Lowfat 1.5%	\$2.00	\$0.02	\$2.26			
	Lowfat 1.0%	\$1.95	\$0.02	\$2.21			
	Skim	\$1.90	\$0.02	\$2.16			
<b>57 OUNCE:</b>	Whole Milk	\$2.18	\$0.02	\$2.44			
	Lowfat 2.0%	\$2.05	\$0.02	\$2.31			
	Lowfat 1.5%	\$2.00	\$0.02	\$2.26			
	Lowfat 1.0%	\$1.95	\$0.02	\$2.21			
	Skim	\$1.90	\$0.02	\$2.16			
<b>QUART:</b>	Whole Milk	\$1.22	\$0.01	\$1.39			
	Lowfat 2.0%	\$1.15	\$0.01	\$1.32			
	Lowfat 1.5%	\$1.13	\$0.01	\$1.30			
	Lowfat 1.0%	\$1.11	\$0.01	\$1.28			
	Skim	\$1.08	\$0.01	\$1.25			
<b>10 QUART:</b>	Whole Milk	\$11.70	\$0.10	\$12.17			
	Lowfat 2.0%	\$11.04	\$0.10	\$11.51			
	Lowfat 1.5%	\$10.80	\$0.10	\$11.27			
	Lowfat 1.0%	\$10.56	\$0.10	\$11.03			
	Skim	\$10.32	\$0.10	\$10.79			
<b>20 QUART:</b>	Whole Milk	\$24.48	\$0.20	\$24.48			
	Lowfat 2.0%	\$23.15	\$0.20	\$23.15			
	Lowfat 1.5%	\$22.69	\$0.20	\$22.69			
	Lowfat 1.0%	\$22.21	\$0.20	\$22.21			
	Skim	\$21.71	\$0.20	\$21.71			
Class I Price	<b>Actual</b>	May-22	\$28.70	Per CWT	Protein Price Per Pound	Mar-22	\$2.7182
Milk Commission Premium		May-22	\$1.04	Per CWT	Butterfat Price Per Pound	Mar-22	\$3.0935
Producer Margin		May-22	\$1.58	Per CWT	Other Solids Per Pound	Mar-22	\$0.6131
Total Class I Producer Price		May-22	\$31.32	Per CWT	Nonfat Solids Per Pound	Mar-22	\$1.6113
Federal Promotion Fee		May-22	\$0.200	Per CWT			
Handling Fee		May-22	\$0.47	Per CWT			
Total Class I Dealer Cost		May-22	\$31.99	Per CWT			
<b>Basic Price of Milk</b>		May-22	\$28.70	Per CWT			
Class II Price & Margin		Mar-22	\$24.91	Per CWT			
Class III for		Mar-22	\$22.45	Per CWT			
Class IV for		Mar-22	\$24.82	Per CWT			
Producer Price Differential		Mar-22	\$2.29	Per CWT			
Statistical Uniform Blend		Mar-22	\$24.74	Per CWT			
Butterfat price per lb. Suffolk County, MA		April-22	\$3.1423				
Chicago AA Butter Price Announced		April 14, 2022	2.7550				

PRODUCER MARGIN HISTORY									
DATE	Class I	Producer Margin	Corn Price/bu		DATE	Class I	Producer Margin	Corn Price/bu	
May-22	\$28.70				Dec-18	\$18.30	\$1.63	\$3.54	
Apr-22	\$27.63	\$1.58			Nov-18	\$18.77	\$1.63	\$3.41	
Mar-22	\$26.13	\$1.58			Oct-18	\$19.58	\$1.63	\$3.41	
Feb-22	\$24.89	\$1.63	\$6.10		Sep-18	\$18.10	\$1.63	\$3.39	
Jan-22	\$22.96	\$1.63	\$5.57		Aug-18	\$17.40	\$1.63	\$3.36	
Dec-21	\$22.42	\$1.63	\$5.47		Jul-18	\$18.61	\$1.63	\$3.47	
Nov-21	\$21.23	\$1.63	\$5.27		Jun-18	\$18.50	\$1.63	\$3.58	
Oct-21	\$20.33	\$1.63	\$5.02		May-18	\$17.69	\$1.63	\$3.67	
Sep-21	\$19.84	\$1.63	\$5.45		Apr-18	\$17.35	\$1.63	\$3.58	
Aug-21	\$20.15	\$1.63	\$6.32		Mar-18	\$16.61	\$1.63	\$3.51	
Jul-21	\$20.67	\$1.63	\$6.12		Feb-18	\$17.50	\$1.63	\$3.38	
Jun-21	\$21.54	\$1.63	\$6.00		Jan-18	\$18.69	\$1.63	\$3.29	
May-21	\$20.35	\$1.63	\$5.91		Dec-17	\$20.13	\$1.58	\$3.23	
Apr-21	\$18.76	\$1.63	\$5.31		Nov-17	\$19.66	\$1.58	\$3.15	
Mar-21	\$18.45	\$1.63	\$4.89		Oct-17	\$19.69	\$1.58	\$3.26	
Feb-21	\$18.79	\$1.63	\$4.75		Sep-17	\$19.96	\$1.58	\$3.27	
Jan-21	\$18.39	\$1.63	\$4.24		Aug-17	\$19.97	\$1.58	\$3.27	
Dec-20	\$23.12	\$1.63	\$3.97		Jul-17	\$19.84	\$1.58	\$3.49	
Nov-20	\$21.29	\$1.63	\$3.79		Jun-17	\$18.56	\$1.58	\$3.43	
Oct-20	\$18.45	\$1.63	\$3.61		May-17	\$18.45	\$1.58	\$3.45	
Sep-20	\$21.69	\$1.63	\$3.41		Apr-17	\$19.30	\$1.53	\$3.43	
Aug-20	\$23.03	\$1.63	\$3.12		Mar-17	\$20.15	\$1.53	\$3.49	
Jul-20	\$19.81	\$1.63	\$3.21		Feb-17	\$19.98	\$1.53	\$3.44	
Jun-20	\$14.67	\$1.63	\$3.16		Jan-17	\$20.70	\$1.53	\$3.40	
May-20	\$16.20	\$1.63	\$3.20		Dec-16	\$20.13	\$1.58	\$3.33	
Apr-20	\$19.89	\$1.58	\$3.29		Nov-16	\$18.03	\$1.58	\$3.23	
Mar-20	\$20.71	\$1.53	\$3.68		Oct-16	\$19.85	\$1.48	\$3.29	
Feb-20	\$20.80	\$1.53	\$3.78		Sep-16	\$19.81	\$1.53	\$3.22	
Jan-20	\$22.26	\$1.53	\$3.79		Aug-16	\$18.32	\$1.58	\$3.21	
Dec-19	\$22.58	\$1.53	\$3.71		Jul-16	\$16.95	\$1.58	\$3.60	
Nov-19	\$21.39	\$1.53	\$3.68		Jun-16	\$16.39	\$1.58	\$3.82	
Oct-19	\$21.09	\$1.53	\$3.84		May-16	\$16.95	\$1.45	\$3.68	
Sep-19	\$21.10	\$1.53	\$3.80		Apr-16	\$16.99	\$1.45	\$3.58	
Aug-19	\$21.14	\$1.53	\$3.93		Mar-16	\$17.03	\$1.45	\$3.57	
Jul-19	\$20.43	\$1.63	\$4.16		Feb-16	\$16.89	\$1.45	\$3.57	
Jun-19	\$20.32	\$1.63	\$3.98		Jan-16	\$19.29	\$1.35	\$3.66	
May-19	\$19.67	\$1.63	\$3.63		Dec-15	\$19.96	\$1.35	\$3.65	
Apr-19	\$19.01	\$1.63	\$3.52		Nov-15	\$19.73	\$1.35	\$3.60	
Mar-19	\$19.23	\$1.63	\$3.61		Oct-15	\$19.09	\$1.35	\$3.67	
Feb-19	\$18.55	\$1.63	\$3.60		Sep-15	\$19.59	\$1.35	\$3.68	
Jan-19	\$18.37	\$1.63	\$3.56		Aug-15	\$19.53	\$1.35	\$3.68	

May-22	Basic Price of Milk								
Chapter 603 Pricing Factors:									
Class I Price (Advance Pricing)	\$28.70								
Processor Assessment fee	\$0.20								
Milk Commission Premium	\$1.04	Set 2-23-17							
Cost of Production Premium	\$1.58	set by MMC 2-17-22							
Class I Dealer Cost	\$31.52								
Milk Handling Fee	\$0.47	Per Hundredweight							
Total Class I Dealer Cost	\$31.99								
Title 7, Section 2, Subsection 2 and 2A Cost Factors:									
Federal Promotion Fee	\$0.20								
Milk Commission Premium	\$1.04								
Cost of Production Premium	\$1.58								
Total Cost Factors	\$2.82								
Dealer Cost Less Cost Factors	\$28.70	This is the Basic Price of Milk							
Basic Price of Milk	\$28.70								
From the Chart the Handling Fee is	\$0.04	Per Gallon	or	\$0.47	Per Hundredweight				
Effective Dates:	4/3/22 to 4/30/22								
(starts the Sunday closest to the first of the month and ends the Saturday before the Sunday closest to the first of the next month)									